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UNCLAS ABUJA 001762

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: PGOV EPET PINS ELAB NI

SUBJECT: GAS PRICES THE MORNING AFTER

REF: A. LAGOS 2090 _B. ABUJA 1737 _C. ABUJA 1735

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- 11. (SBU) Touring Abuja city, the Abuja Federal Capital Territory, and neighboring state Niger on October 10, it is clear the end of the proposed October 9 strike had an effect on the gasoline retail market, but not what was agreed (Refs A and B). Virtually all Abuja city gasoline stations were open except ExxonMobil outlets. All of those that were open independents and majors were charging well above 34 naira per liter, except ChevronTexaco outlets were charging 34 naira per liter plus a fill-up fee of 100 naira. In Abuja city Agip was selling at 41.5 naira, Total at 36.9 naira. PolCouns asked one Mobil station manager why her station was not selling gasoline when there were long lines at the independent station next door selling at 38 naira and at the Total station just up the street. She answered that ExxonMobil would be delivering to her station that evening and she would be selling for 37-38 naira per liter.
- 12. (SBU) There were long lines of motorists at every station. Nigerians on radio talk shows said they were buying up ahead of what they thought was a certain rise in gasoline prices next week, and people PolCouns talked to in some lines said they were buying while gasoline was available. One FM radio talk show host asked why there were such long lines if all the stations had gasoline to sell and were supposedly selling at 34 naira; apparently Nigerians thought those might be two excellent reasons to stock up.
- 13. (SBU) Outside the city was somewhat different. Inside the Abuja FCT and for tens of miles beyond its borders in Niger State most highway gasoline stations were closed October 10, with no supplies to sell. That is usual for the independents, but very unusual for the national and international chains. Most Mobil, Texaco, Total and Agip stations were empty. Of the few stations that were open on the Abuja side of the state line, one AP station was selling at 38.5 naira, one Texaco station at 34, one Agip station at 41.5, and one Conoil station at 38.5; on the Minna side of the state line a Total station was selling at 36.9, Nana at 41, and Oyoyo at 40.
- 14. (SBU) The prices were pretty much the same as in the city, literally the same for the major chains, but the lines were far shorter. All but one of the stations required purchase of at least 20 liters, the exception being Texaco although it did not mention the surcharge when we inquired about price. There were many individuals along the sides of the highway selling gasoline from jugs, asking from 70 to 100 naira per liter. Just as it was not apparent why there would be short lines at rural filling stations less than five minutes drive from their city counterparts charging the same price with lines stretching several blocks, it is unclear why motorists would by from jug-wielding individuals less than a kilometer away from stations where the line was less than five cars.
- 15. (SBU) While the city stations were not embarrassed either by charging over the 34 naira agreed or by the long lines, the highway stations were much more tense. One Unipetrol station turned off its pumps and the few cars in line scattered when our Embassy-plate vehicle entered. We parked next to a tanker with a NUPENG (the national oil union) sticker on its door offloading fuel into a Texaco station's tanks in Minna state; its driver seemed unconcerned but most of the management at the station promptly disappeared. The few pumpjockeys who remained said nothing, but pointed to the 34 naira price on the pumps. At the Oyoyo station above, four irate motorists were busy beating up another, apparently for cutting ahead in the longest line (11 cars) we saw outside the city -- a piker compared to over 40 in lines at many city stations. But at one in Minna there was a very

orderly line of cars crossing the highway under the calm and smiling direction of a policewoman into a station with the brand name Hansel. We did not enter the station to check the price, or see if she was Gretel.